

CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE
12 NOVEMBER 2015

Minutes of the meeting of the Corporate Resources Overview and Scrutiny Committee of the Flintshire County Council held at County Hall, Mold on Thursday, 12 November 2015

PRESENT:

Councillors: Marion Bateman, Andy Dunbobbin, Robin Guest, Ron Hampson, Richard Jones, Richard Lloyd, David Roney, Nigel Steele-Mortimer and Arnold Woolley

SUBSTITUTIONS:

Councillor: Alison Halford for Clive Carver, Paul Shotton for Peter Curtis, Mike Lowe for Carolyn Thomas

APOLOGIES:

Councillors: Brian Lloyd, Vicky Perfect and Ian Smith

CONTRIBUTORS:

Councillor Aaron Shotton – Leader and Cabinet Member for Finance, Councillor Billy Mullin – Cabinet Member for Corporate Management, Chief Executive and Finance Manager Corporate Accounting & Systems
Representatives from the North Wales Fire & Rescue Authority for minute number 48 - Councillor Peter Lewis (Deputy Chair), Simon Smith (Chief Fire Officer) and Ruth Simmons (Assistant Chief Fire Officer)
Interim Human Resources and Organisational Change Manager for minute number 51

IN ATTENDANCE:

Member Engagement Manager and Committee Officer

45. APPOINTMENT OF CHAIR FOR THE MEETING

The Member Engagement Manager sought nominations for the position of Chair for the meeting as neither the Chairman nor the Vice-chairman of the Committee were able to attend the meeting.

RESOLVED:

That Councillor David Roney be appointed Chairman for this meeting.

46. DECLARATIONS OF INTEREST

Councillor Paul Shotton declared a personal interest in minute number 48 (North Wales Fire & Rescue Authority – Consultation: ‘Your Services, Your Choices’) as he was a member of the North Wales Fire & Rescue Authority.

47. **MINUTES**

The minutes of the meeting of the Committee held on 8 October 2015 had been circulated to Members with the agenda.

Matters Arising

Councillor Marion Bateman referred to the final paragraph on page 8 and indicated that she had received a phone call asking for clarification of the information that she had requested but had not yet received a response. The Member Engagement Manager confirmed that he would pursue the request following the meeting. The Chief Executive advised that the fluctuating re-cycle sale values was reported as a risk in the Revenue Budget Monitoring report but confirmed that further details would be provided for Councillor Bateman.

RESOLVED:

That the minutes be approved as a correct record and signed by the Chairman.

48. **NORTH WALES FIRE & RESCUE AUTHORITY – CONSULTATION: ‘YOUR SERVICES, YOUR CHOICES’**

The Member Engagement Manager introduced Councillor Peter Lewis (Deputy Chair), Simon Smith (Chief Fire Officer) and Ruth Simmons (Assistant Chief Fire Officer) from the North Wales Fire & Rescue Authority.

Mr. Smith explained that instead of a powerpoint presentation, a short video had been prepared, which was played for the Committee, to provide information on the issues that the Authority was consulting on. The proposed objectives from the video were:-

- Objective 1 – Keep people and communities safe by preventing deaths and injuries from accidental fires in living accommodation
- Objective 2 – develop a three year financial strategy in which freezing the budget will be a central principle
- Objective 3 - rebalance our resources to match risk
- Objective 4 – we will explore opportunities to diversify and offer additional services to the public of North Wales

In providing background to the consultation, Mr. Smith said that in 2006/07, more than ten people died in fires in domestic dwellings and in 2014/15 there had only been two fatalities, both of whom were at the same incident. In October 2006, North Wales had been at the bottom of a league table and was the least safest place to live in but since then, there had been a shift over the last ten years to put resources into the prevention of fires, and as a result the number of fire calls had reduced by 50%. Mr. Smith advised that prevention did work but cost money and both National Government and

Welsh Government had commented that there was 50% less demand but the service had the same resources as ten years ago. He commented on a pilot project through the National Joint Council for the Fire & Rescue Service to co-respond to certain categories of incident alongside the Ambulance Service and the pilot scheme was due to commence in December 2015.

The Chairman thanked Mr. Smith for the presentation.

Councillor Paul Shotton spoke of the admiration of the public for the Fire Service in North Wales. He spoke of the concern of a suggestion by National Government that the Police & Crime Commissioners in England take over the Fire & Rescue Service, which he hoped would not be replicated in Wales. Councillor Shotton spoke of the issue of flooding and commented on ways to expand the service and the importance of fire prevention. He felt that £46 per resident for the service was good value. He welcomed the suggestion to freeze the budget for three years but queried whether recruitment was an area of concern. He also welcomed the proposals for certain number of 'crewing groups' depending on times of lower or higher risk and felt that this would be an improvement. Councillor Shotton also looked forward to the official opening of the new fire station in Deeside.

In response, Mr. Smith explained that it had been suggested that the Police & Crime Commissioners in England take over the governance of the Fire & Rescue Authority and in Wales, it would be for the Welsh Government Ministers to decide if this was pursued. On the issue of flooding, there had been some significant and damaging floods in the area but, he emphasised the Fire & Rescue Authority did not have a statutory duty to respond to flooding events but had always done so in the past. It was important to note that the Authority could not prioritise non-statutory events over statutory issues and therefore responding to incidents of flooding was an area that was vulnerable to cuts. In 2014, the Service removed two services (line rescue and large animal rescue) as they were non-statutory but had decided to continue with responding to flooding events for the time being, even though this was also non-statutory. In referring to the proposed budget freeze, Mr. Smith explained that the service had reached the point where it was looking to take the reserves to a minimum to fund the budget pressures and once the reserves had been used, there would be a need to consider service reduction which would include firefighters and fire engines. The new fire station at Deeside had been completed and was officially due to be opened in the New Year but was already fully operational. It was a magnificent building which had been built to a high standard and also included a community facility.

Councillor Richard Jones referred to the presentation by the Fire & Rescue Authority to the Council in November 2014 where three options had been presented (1 - to freeze the budget, 2 – a reduction in the annual budget at a level similar to the reductions being felt by the constituent councils themselves, 3 – a gradual increase in the Authority's budget to protect services); option 3 was preferred by the Councillors. He had suggested an amendment to include the Authority being open to financial scrutiny and challenge towards maximising 'Value for Money' and reduction of overhead

costs whilst providing the same or better level of protection to the residents of Flintshire. Councillor Jones sought clarification that assurance could be given that residents would be protected in the same way as in 2014, the Fire Authority had indicated that it would cost an extra £4 per head to fund the service. In response, Mr. Smith said that the objective had been to increase the contribution to a maximum equivalent of £1 per head of population per year. The consultation exercise covered all six North Wales Local Authorities but the view of Flintshire County Council was not shared by the other five Councils and the views of all six had to be taken into consideration. The Fire Service strategy recognised that budget pressures were much worse than anticipated and concluded that it was not sustainable to use reserves and increase budgets year on year when Local Authorities were facing severe cuts. Mr. Smith confirmed that the level of service would not be reduced as a result of the proposals but talked of significant cuts in funding of 25% for Fire Authorities in England.

Councillor Jones suggested that residents in Flintshire were prepared to pay an increase of £1 to protect the Fire Service and to ensure they were safe in their homes. Mr. Smith said that he had heard similar remarks but reiterated his earlier comment that the views of Flintshire County Council were not shared by the other North Wales Local Authorities.

In his role as the Clerk to the North Wales Fire & Rescue Authority, the Chief Executive commented on the longterm change programme proposals that were required to decrease the pressure on a rising budget. He added that the views of the six North Wales Authorities needed to be considered and that because of a static or reducing government grant, any increases would be likely to fall on local authorities to fund and would therefore become a budget pressure. The Medium Term Financial Strategy assumed no increases in future levies that had not already been identified.

Councillor Peter Lewis confirmed that even though Flintshire County Council were receptive to a £1 increase, some of the North Wales Authorities disagreed. He referred to the combination of statutory and non-statutory duties carried out by the Fire & Rescue Service and the best ways to utilise the available resources. It had been suggested that reserves should be reduced but North Wales already had the lowest reserves for a Fire Authority and once they had been utilised, they could not be replaced.

In response to a query from Councillor Andy Dunbobbin about the role of the retained firefighter, Mr. Smith explained that they would usually have another full time job but would be paid a retainer and would be required to undertake a number of hours training and attend the fire station in the event of an incident. He provided details of the two levels of remuneration for retained firefighters and spoke of the difficulty in recruiting and retention. A lengthy recruitment campaign had been undertaken recently in which 54 positions had been filled but the Service had been hoping to recruit 80 personnel. Councillor Dunbobbin also asked whether the use of army barracks had been considered and the Chief Executive responded that previous arrangements

where the Armed Forces provided secondary cover for the Fire Service no longer existed.

Councillor Arnold Woolley congratulated the representatives of the Fire Authority for the simple, concise and clear consultation document which he confirmed he had completed. He queried whether the distance that Flintshire residents had to travel to their place of work had an impact on the recruitment of retained firefighters. Mr. Smith explained that there was a requirement that retained firefighters had to live within five minutes of the fire station to ensure that they could reach the station as soon as possible following a callout. However, he added that Flintshire was not generally a problem recruitment area. Councillor Woolley also asked about any specialist training for setting off or handling fireworks that firefighters received and was advised by Mr. Smith that they did not receive any specialist training. If the Fire Service were involved with a firework display, it encouraged the public to attend rather than have their own event and any proceeds from the Fire Service display were shared between local charities.

Councillor Paul Shotton spoke of the proposed 'crewing group' arrangements and queried whether those leaving the Armed Forces were adequately informed of any vacancies within the Fire Service. In response, Mr. Smith explained about the use of a 'Wholetime Duty System (WDS) – Rural' which were firefighters who were available to be allocated to any fire station when needed to make up a crew. Since the introduction of the system, an average of approximately 14 extra fire engines had been available each day but the WDS firefighters were expensive as they were paid at full time rates.

On the issue of those leaving the Armed Forces, Ms. Ruth Simmons commented on the fixed term recruitment processes for both full and retained firefighters rather than an 'open' employment exercise which was not effective. The general public and employers were notified of any vacancies. There were benefits in attracting ex-military personnel but there could also be concerns due to the potential for psychological issues due to active service.

In response to a query from Councillor Jones, Mr. Smith reiterated his earlier comments that the service to recover large animals had been withdrawn to save costs and any requests to assist would be referred to the Royal Society for the Prevention of Cruelty to Animals. Another initiative to reduce costs was to only send a fire engine to an alert from an automated fire alarm system if this was backed up by a 999 call that there was a fire. This had been in place for six months and there had been virtually no risk to the public or businesses and had reduced costs and increased efficiencies.

Councillor Robin Guest asked about the cost of attending for incidents of flooding. Mr. Smith responded that he did not have the details with him but the amount would be significant and the damage to fire engines could also be a contributing factor. He commented on the damage to vehicles sustained as a result of the St. Asaph floods but the Fire Authority was not able to apply for assistance from the Government to undertake the repairs.

Councillor Marion Bateman thanked Mr. Smith for his presentation and the openness of his answers to questions from Members.

RESOLVED:

- (a) That the Committee supports the four objectives set out in the North Wales Fire & Rescue Authority consultation document; and
- (b) That the Member Engagement Manager be authorised to respond to the consultation accordingly.

49. MEDIUM TERM FINANCIAL STRATEGY

The Chief Executive provided a verbal update on the Medium Term Financial Strategy, and advised that the Autumn Statement from the Chancellor would be on 25 November 2015.

He commented on the further reductions in the order of 25% or more anticipated for the next Parliament period suggested by the UK Government for English Councils and spoke of the possible impact if these cuts were also passported to the Welsh Government (WG). The provisional settlement from WG was expected on 8 December 2015 but there was uncertainty around the budget process which may not be able to be finalised until March 2015 and this would have an impact on the setting of Council Tax. Two budget workshops for Members were to be set up in late November 2015 with the Overview & Scrutiny meetings to receive options on the budget proposals being held in December 2015.

The Chief Executive spoke of the four key issues which were:-

- (i) Members having the opportunity to go through the budget options
- (ii) the need to work on contingencies for the remaining budget gap
- (iii) making a case at a national level about the risks faced by the Authority
- (iv) the seven community meetings which had been arranged to raise public awareness of the risks faced to services. The Chief Executive sought Members' help in supporting the meetings and asked them to register for the event if they were able to attend.

In response to a query from Councillor Marion Bateman about how the events were being advertised to the public, the Chief Executive advised that social media would be used, as well as Town & Community Councils, voluntary organisations and youth groups being made aware of the events so that they could share the information with their communities. The local papers would also be asked to include the details in the press. It was hoped that a minimum of 50 people would attend each event with the maximum being 200. He commented on the use of electronic voting and other housekeeping issues such as making a translator available if a resident wanted to speak in Welsh

but advised that this may not be available if the person had not registered in advance.

Councillor Paul Shotton felt that it was important that Councillors and members of the public attended because of the seriousness of the issue of funding. He also raised concern about the possible late production of the final settlement and the importance of having contingency options in place.

The Leader of the Council and Cabinet Member for Finance, Councillor Aaron Shotton, spoke of the work that was being undertaken on budget options. He commented on a recent public consultation engagement meeting on the future of Connah's Quay swimming baths which had been positive in terms of collaboration with Flintshire County Council and Connah's Quay Town Council. He felt that there was a significant need for lobbying by all Councillors on the risks faced by the authority if the budget gap could not be closed. The Chief Executive concurred.

Councillor Arnold Woolley raised concern about whether WG would be able to provide any settlement details by 8 December 2015. The Chief Executive responded that WG were already working on a number of options but an indication of their proposals was still awaited.

RESOLVED:

That the verbal update on the Medium Term Financial Strategy be received.

50. REVENUE BUDGET MONITORING 2015/16 (MONTH 5)

The Finance Manager Corporate Accounting and Systems introduced a report to provide Members with the Revenue Budget Monitoring 2015/16 (Month 5) for the Council Fund and Housing Revenue Account (HRA) which was to be submitted to Cabinet on 17 November 2015.

For the Council Fund, the projected net in-year expenditure was forecast to be £0.595m higher than budget which was an increase £0.170m on the overspend at Month 4. Appendix 1 detailed the movements from Month 4 which included further reductions in the recycling market and the delay in the implementation of car parking charges in some areas. Appendix 3 provided details of the latest position of the programme of efficiencies and it was projected that £10.803m (84%) would be achieved resulting in a net underachievement of £2.071m. There had been no change since Month 4 to the amounts held for inflation and the full details of the amounts held were reported in paragraphs 1.08 to 1.10. Taking into account the current overspend at Month 4, the balance on the contingency reserve at 31 March 2016 was projected to be £3.941m. A summary of the Earmarked Reserves had been presented at Month 4 and quarter 2 information would be reported as part of the Revenue Monitoring Report 2015/16 (Month 6).

The Month 5 monitoring report for the HRA was projecting in year expenditure to be £0.041m higher than budget and a projected closing

balance as at 31 March 2016 of £1.196m, which at 4% of total expenditure satisfied the prudent approach of ensuring a minimum level of 3%.

Councillor Ron Hampson raised significant concern about the late implementation of car parking charges in some areas such as Queensferry, Shotton and Flint when compared to Buckley where charges had been implemented in August 2015. He queried why all of the charges had not been applied at the same time and suggested that a large amount of money had been lost and that staggered implementation had been unfair.

In response, the Chief Executive commented on the complexity of the implementation of the scheme in Flint, particularly as a result of the ongoing works in the area, but it was intended that charging would be in place early in 2016. He added that he could provide details of the timescales if required. For the County Hall site, it was anticipated that charging would be implemented from 1 January 2016.

Councillor Marion Bateman sought clarification on the former Euticals site and whether it had now been declared safe. The Chief Executive advised that the project had been complex and spoke of the scheme to remove the remaining specialist chemicals. The site was now safe but work would continue for a few more months to complete all of necessary works before the site could be sold.

Councillor Richard Jones referred to the overspend of £1.108m in Streetscene & Transportation due to the delay in implementation of car park charges and also because of increased pressure on income projections due to fluctuations in recycle sales because of a volatile market. He felt that it was unfair that some towns had implemented charges when others had not and concurred that the charges should all have been applied at the same time. He also spoke about the reduction in the use of the Telecare Service and queried whether this was due to charges imposed for the service. Councillor Jones asked that further information be received from the Chief Officer (Streetscene & Transportation) about the reduced income and why some areas were not producing the income that they should and suggested that he be asked to attend the next meeting of the Committee to provide an explanation; this was duly seconded. On the issue of car parking, the Chief Executive noted the concerns raised by Members. The issue of fluctuations in recycling sales was a major shared concern but he added that it was not possible for individual services to incorporate and that the risk needed to be looked at corporately. The Chief Executive confirmed that the Chief Officer (Streetscene & Transportation) would be asked to attend the next meeting to specifically discuss his area, but that income generation in general would also be discussed.

RESOLVED:

- (a) That the Revenue Budget Monitoring Report (Month 5) be received;

- (b) That no formal recommendations be made to Cabinet on this occasion; and
- (c) That the Budget Monitoring Report for next month should include detail on income variations and that there be an item on the overspend in Streetscene & Transportation.

51. WORKFORCE INFORMATION QUARTER 2

The Interim Human Resources and Organisational Change Manager introduced a report to provide Members with an update for the first and second quarter for 2015/16 for the following:

- Headcount and Full Time Equivalent (FTE)
- Organisational Age Profile
- Employee Turnover and Stability (Including Redundancies and Early Retirements)
- Attendance (Including 100% attendance)
- Performance Appraisals and Development
- Resource Management (Agency Workers)
- Equality and Diversity

She explained that the dashboards for schools reflected teacher and non-teacher information which had been requested by Members at the previous meeting of the Committee. The headcount had continued to decrease as expected and the number of days lost per FTE had also reduced. The Interim Human Resources and Organisational Change Manager advised that in relation to the undertaking of appraisals, there had been issues with the current software which had given cause for concern in terms of comprehensive and accurate data relating to appraisals. However, she added that the work was ongoing to rectify the matter. The target for agency workers had been exceeded with the majority of spend being in Streetscene & Transportation and Social Services, which was reflected in the dashboard information. There were 60 operational vacancies within Streetscene & Transportation pending the implementation of the service review and some of the vacancies had been offered as alternatives to redundancy and the service was planning to fill a further 10 to reduce the number of agency workers. The Interim Human Resources and Organisational Change Manager explained that agency usage continued to be a risk for the Council but added that the issue was being closely monitored.

The Chief Executive referred to the Programme Boards which continued to monitor efficiencies. He spoke of a recent meeting on the use of agency workers within Streetscene & Transportation where it was acknowledged that the use was high but it was important to achieve the correct balance to ensure the service could be delivered.

The Cabinet Member for Corporate Management, Councillor Billy Mullin, thanked the Interim Human Resources and Organisational Change Manager for the report. He said that the use of agency workers was

undertaken in industry and suggested that agency workers had been well utilised within the authority.

Councillor Robin Guest expressed significant concern about the suggestion in the dashboard that nine agency workers had been in post for two to three years and one for three to four years. The Interim Human Resources and Organisational Change Manager confirmed that this was correct but that work was ongoing with the services involved and the position was being monitored carefully. However, she added that it did not mean that one person had been in the posts for the length of time shown but was the period that the placement had been open. Councillor Arnold Woolley commented on the high figure for absence within Social Services and Streetscene & Transportation which were the two service areas with the highest rate of agency usage. The Interim Human Resources and Organisational Change Manager confirmed that the areas did have the largest amount of absence due to the manual nature of the work. She added that Streetscene & Transportation had improved and explained that longer term absences also had an impact on the figures. Councillor Mullin spoke of the work undertaken with Occupational Health to reduce absences in the service.

Councillor Richard Jones referred to the information on turnover and stability and queried the large number of employees who 'left voluntarily'. He said that these were unplanned and queried whether this posed a risk to the Council if the posts could not be filled. The Interim Human Resources and Organisational Change Manager explained that this was the option that had been ticked on the form completed when employees left the authority, but added that consideration of removal of the option could be considered and more specific reasons included instead. The Chief Executive confirmed that some employees left to take up other employment and the actual number of resignations was very low.

RESOLVED:

That the report be received.

52. FORWARD WORK PROGRAMME

The Member Engagement Manager introduced the report to consider the Forward Work Programme for the Committee.

He detailed the items reported for consideration at the meeting on 10 December 2015 which included the visit by the Police & Crime Commissioner on consultation on the Crime & Policing Plan for 2016/17. He added that he would ensure that the information would be available to present to the Committee at that meeting. It was confirmed that Members would not need to provide their questions in writing in advance of the meeting.

Councillor Richard Jones spoke of Emergency Planning response work that had been undertaken recently in Buckley as a pilot exercise to assist in identifying the level of impact on vulnerable people. In response, the Chief

Executive suggested that further information on the work of the Emergency Planning Group could be submitted to a future meeting of the Committee.

During earlier discussions, it had been agreed that a report on income variations would be considered at the meeting on 10 December 2015.

The Member Engagement Manager indicated that work was ongoing to identify dates for the proposed budget meetings for Members and it was expected that workshops would take place on 24 November 2015 (pm) and 25 November 2015 (am). The budget meeting dates would be finalised shortly but it had been agreed that the Corporate Resources Overview & Scrutiny meeting for department finance issues would be held on 18 December 2015 (am) with a 'mop-up' meeting to which all Members would be invited, being held on the afternoon of 18 December 2015.

RESOLVED:

- (a) That the Forward Work Programme as submitted, with the verbal amendments, be approved; and
- (b) That the Member Engagement Manager, in consultation with the Chair, Vice-Chair and officers, be authorised to alter the work programme between meetings.

53. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There were no members of the public or press in attendance.

(The meeting started at 10.00am and ended at 11.58 am)

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Chairman